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SENATE BILL 19

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Mary Kay Papen

AN ACT

RELATING TO PUBLIC FINANCE; AUTHORIZING THE ISSUANCE OF BONDS
SECURED BY A STATE GROSS RECEIPTS TAX INCREMENT FOR THE LAS
CRUCES DOWNTOWN TAX INCREMENT DEVELOPMENT PROJECT; SUBJECTING
THE AUTHORIZATION TO CERTAIN CONDITIONS; LIMITING CERTAIN
FUTURE CAPITAL PROJECTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. AUTHORIZATION OF ISSUANCE OF BONDS.--

A. Pursuant to the provisions of Section 5-15-21
NMSA 1978, the legislature authorizes the issuance of bonds not
to exceed seven million two hundred fifty thousand dollars
(\$7,250,000) in net proceeds as adjusted for inflation, secured
by a gross receipts tax increment attributed to the imposition
of the state gross receipts tax for the Las Cruces downtown tax
increment development project, subject to:

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1 (1) the determination that has been made by
2 the New Mexico finance authority that the proceeds of the bonds
3 issued pursuant to this authorization will be used for the
4 benefit of or to facilitate development within the Las Cruces
5 downtown tax increment development project in accordance with
6 the tax increment development plan for that project;

7 (2) the review by the New Mexico finance
8 authority of the master indenture prior to issuance of any
9 bonds;

10 (3) the review by the New Mexico finance
11 authority of any proposed amendments to the master indenture
12 prior to the issuance of any bonds subsequent to such
13 amendments;

14 (4) the review by the New Mexico finance
15 authority prior to the issuance of any bonds of any amendment
16 to the tax increment development plan for the Las Cruces
17 downtown tax increment development project that affects the
18 projected revenues to be used to pay the bonds, use of the
19 proceeds of the bonds or the issuance of the bonds; and

20 (5) the review by the New Mexico finance
21 authority of the plan of financing demonstrating at a minimum
22 that:

23 (a) tax increment revenues shall not be
24 used by the district for a period exceeding thirty years; and

25 (b) substantial improvements have been

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1 completed within the district prior to the issuance of bonds
2 within the district.

3 B. The documents and information required to be
4 submitted to the New Mexico finance authority by this section
5 prior to issuance of any bonds shall be reviewed by the New
6 Mexico finance authority in connection with its consideration
7 for a further determination by the New Mexico finance authority
8 that the proceeds of the bonds will be used for that portion of
9 the Las Cruces downtown tax increment development project that
10 benefits or facilitates development within the district as
11 described in the plan and as provided by the legislature.

12 Section 2. DURATION OF AUTHORIZATION.--The duration of
13 the authorization for issuance of bonds in this act is thirty
14 years unless and until this act is repealed or modified by the
15 legislature.

16 Section 3. CERTAIN CAPITAL PROJECTS PROHIBITED.--

17 A. The legislature shall not approve or authorize
18 any capital outlay projects within the Las Cruces downtown tax
19 increment development district during the period that any bonds
20 issued pursuant to Section 1 of this act are outstanding for
21 that specific district, except for those buildings or
22 facilities that are owned by the state or one of its agencies,
23 institutions or political subdivisions and that are:

- 24 (1) public school buildings or facilities;
25 (2) higher education buildings or facilities;

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- (3) cultural buildings or facilities;
- (4) buildings or facilities used for public safety; or
- (5) buildings used for other public purposes.

B. Nothing in this section prohibits the legislature from authorizing expenditures, pursuant to law, for economic development projects within a specific Las Cruces downtown tax increment development district for which any tax increment development bonds are outstanding.

Section 4. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2009.